



Monterey, Santa Cruz, San Mateo Counties

July 2009

USDA Service Center
Monterey-Santa Cruz-
San Mateo Counties
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Hours
Monday - Friday
8:00am - 4:30 pm
Closed Holidays

County Committee
Sam Mann
Dan Luksik
Frank LaMacchia
Ed Roth

Advisors
Peter Navarro
Dominic Muzzi

County Committee Elections

County Committee members play a crucial role in helping the county office staff implement the Farm Bill Programs. Right now, producers can have an impact on the election of the county committee by nominating eligible candidates by the August 3, 2009, deadline.

To become a nominee, eligible individuals must complete and sign form FSA-669A. The form and other valuable information about FSA county committee elections are available online at: <http://www.fsa.usda.gov>; click on News & Events, then County Committee Elections. Nomination forms for the 2009 election must be postmarked or received in the local county office by close of business on August 3, 2009.

FSA county committee members make decisions on disaster and conservation programs, emergency programs, commodity price support loan programs and other important agricultural issues. Members serve three-year terms. Nationwide, there are more than 7,800 farmers and ranchers serving on FSA county committees. Committees consist of three to five members who are elected by eligible local producers. FSA will mail ballots to producers beginning Nov. 6, 2009. The completed ballots are due back at the local county office by Dec. 7, 2009 either via mail or in person.

2009 Direct & Countercyclical Program (DCP) Signup

Signup for the 2009 Direct and Counter-cyclical Payment (DCP) Program has been extended until August 14, 2009. Signup in the ACRE option is also available through August 14, 2009. FSA will not accept any late-filed applications. FSA computes DCP Program payments using base acres and payment yields established for each farm. Eligible producers receive direct payments at rates established by statute regardless of market prices. For 2009, you may request to receive advance direct payments based on 22 percent of the direct payment for each commodity associated with the farm. Counter-cyclical payment rates vary depending on market prices and

are issued only when the effective price for a commodity is statutorily set below its target price.

The new ACRE Program is an option for eligible DCP farms that allows participants to receive additional payments base on crop revenue reductions instead of only low national prices. Revenue considers both yields and prices, so the reductions can be attributed to low yields and/or low prices. Note that there must be both a revenue reduction for the farm and at least a 10% revenue reduction for the State.

Crop Acreage Reporting

The annual, timely and accurate reporting of acres for all crops and land uses, including failed acreage, can prevent loss of benefits for a variety of Farm Service Agency programs. All cropland on the farm must be reported to receive benefits from the Direct and Counter-cyclical Program, marketing assistance loans and Loan Deficiency Payments. Conservation Reserve Program (CRP) acreage must be reported to receive annual rental payments. And, crop acreage for Non-insured Crop Disaster Assistance Program (NAP) must also be reported. Crop reports, form FSA-578, Report of Acreage, must account for all cropland on a farm, whether idle or planted. Acreage reporting dates are as follows in Monterey, Santa Cruz and San Mateo counties:

2009 Crop Acreage Reporting Dates

Sept 30, 2008	Value Loss crops, including Flowers
Dec 15, 2008	Forage, grazed
April 30, 2009	Fall & Spring Small Grains
July 15, 2009	All other crops, such as straw berries, caneberrys, orchards, annual vegetables, etc. (Except small grains, flowers and value loss crops)



2010 Noninsured Crop Disaster Assistance Program (NAP) application closing dates

January 1, 2009	Avocados, Citrus (lemons, oranges, limes, etc)
August 1, 2009	Small Grains, fall or spring
September 1, 2009	Flowers, Value Loss Crops
September 1, 2009	Forage Crops mechanically harvested (HAY)
December 1, 2009	Forage GRAZED (native pasture, etc) and forage seed crops, honey, onions
December 15, 2009	Fruit, nut tree crops, asparagus, caneberries, grapes, kiwis, olives, strawberries, etc.
March 1, 2010	Annuals (squash, carrots, etc)

To be eligible to receive benefits under the NAP program, a nonrefundable service fee must be paid by the dates above. The NAP fees are now \$250 per crop, \$750 per county, or a maximum of \$1875 per producer for all crops in all counties. Fees may be waived for limited resource producers. A limited resource producer is a producer with both: (a) direct or indirect gross farm sales not more than \$100,000 in both of the previous 2 years (b) a total household income at or below the national poverty level for a family of 4, or less than 50 percent of county median household income in both of the previous 2 years. Limited resource producers are required to recertify limited resource producer status annually. For assistance in determining limited resource producer status, contact the county office.

New changes to 2010 NAP program

There are several new changes to applications for coverage that will be effective for the 2010 NAP year. If crop insurance is available in the county at the CAT level or greater for a commodity, then NAP coverage is not available. Some coverages have been eliminated, and some crops must have reached a specific growing season after being set out in order to be eligible for NAP:

- Asparagus, Grapes: 4th growing season
- Apples, Avocados, Citrus: 6th growing season
- Kiwifruit: 8th growing season

- Olives: 7th growing season
- Safflower – non-irrigated – NAP coverage no longer available
- Strawberries – second or subsequent year – NAP coverage no longer available

NAP participants must annually file a complete and accurate report of acreage and production records by the applicable reporting dates. If you do not know the date you must file for your crops, please contact the county office. Notices of crop losses must be filed within 15 days of the date of the disaster occurrence so that the crop may be inspected timely. Forage producers may not graze damaged acreage until an appraisal of the crop has been made. Reporting crop losses after removing the crop for inspection or grazing the crop will result in ineligibility for program benefits. Please refer to your copy of the NAP Basic Provisions for details about the program. If you did not receive a copy of the basic provisions that was previously mailed, contact the County Office at (831) 424-7377 ext. 2. Annual NAP coverage on your crops is now required in order to participate in new disaster programs that are forthcoming.

Beginning and Limited Resource Farmers

FSA assists beginning farmers and or members of socially disadvantaged groups to finance agricultural enterprises. Under these designated farm loan programs, FSA can provide financing to eligible applicants through either direct or guaranteed loans. FSA defines a beginning farmer as a person who:

- Has operated a farm for not more that 10 years
- Will materially and substantially participate in the operation of the farm
- Agrees to participate in a loan assessment, borrower training and financial management program sponsored by FSA
- Does not own a farm in excess of 30 percent of the county's average size.

Each member of an entity must meet the eligibility requirements. Loan approval is not guaranteed. Additional program information, loan applications, and other materials are available at your local USDA Service Center. You may also visit www.fsa.usda.gov

FSA Farm Loans

There are several loan programs designed to help producers who are temporarily unable to obtain private or commercial credit. Direct farm ownership and operating loans up to a maximum of \$300,000 guaranteed loans to a maximum of \$1,094,000 and emergency

loans to a maximum of \$500,000. For detailed information on loan eligibility for each of these programs, please contact a farm loan officer for an appointment to discuss your specific needs.

Emergency Farm Loans

The dates listed below are the deadlines to file for emergency farm loans. For details about the qualifications of these programs, please contact a farm loan officer.

<u>Deadline to Apply</u>	<u>Type of Losses</u>
August 23, 2009	Light Brown Apple Moth Quarantine from May 2, 2007

Controlled Substances

Program participants convicted under federal or state law of any planting, cultivating, growing, producing, harvesting or storing a controlled substance are ineligible for program payments and benefits. If convicted of one of these offenses, the program participant shall be ineligible during that crop year and the four succeeding crop years for direct and counter-cyclical payments, price support loans, loan deficiency payments, market loan gains, storage payments, farm facility loans, Non-insured Crop Disaster Assistance Program payments or disaster payments. Program participants convicted of any federal or state offense consisting of the distribution (trafficking) of a controlled substance shall, at the discretion of the court, be ineligible for any or all program payments and benefits:

*for up to 5 years after the first conviction

*for up to 10 years after the second conviction

*permanently for a third or subsequent conviction.

Program participants convicted of federal or state offense for the possession of a controlled substance shall be ineligible, at the discretion of the court, for any or all program benefits, as follows:

*up to 1 year upon the first conviction

*up to 5 years after a second or subsequent conviction.

Special Accommodations

Reasonable accommodations will be made, upon request, for individuals with disabilities, vision impairment, or hearing impairment to attend or participate in meetings or events sponsored by the Farm Service Agency. If you require special accommodations to attend or participate in one of our events, please call the FSA county office and we will be happy to make any needed arrangements.

Changes in Payment Limitations

The payment limitation provisions over the last 39 years have been expanded to more programs. Some of the changes in this area are listed below. Anyone that plans to participate in 2009 programs is required to submit a completed CCC-902, CCC-926, and CCC-901, if applicable, for payment eligibility and payment limitation purposes. The form used prior to 2009 was named CCC-502. All partners, stockholders, or members with an ownership interest in the legal entity must make a contribution, whether compensated or **not** compensated, for active--*

- personal labor,
- active personal management,
- or a combination of active personal labor and active personal management to the farming operation;

*Note: there are exceptions for spouses. Also note that different programs have different eligibility requirements under the payment limitation provisions. If you have a specific question, contact the county office.

Help Available to Stressed Farmers

In the past year, the economy, inclement weather, drought and other factors have hurt many farming operations around the country. These events pushed some farmers to the emotional breaking point. Watching their livelihood being threatened is difficult for farmers and ranchers and especially for those who care about them. The National Suicide Prevention Hotline is available to help. If you know a farmer or rancher who is under stress and is reluctant to ask for help, or if you just need to talk to someone, call 1-800-273-TALK (8255). Your call will be routed to the crisis center nearest you, where trained staffers are available 24/7. This nationwide service is free and confidential. Help is just a phone call away.

For more information, go to

<http://www.suicidepreventionlifeline.org/>. *This service is not affiliated with the US Department of Agriculture.*

Successor In Interest

Many FSA programs will allow payments to be made to heirs or successors when a program participant passes away. Additionally, contracts in programs such as CRP must be revised to reflect the successor(s) to a deceased participant's interest.

In the event of an FSA program participant's death, it is important that FSA be notified. Entities and joint operations that participate in FSA programs also need to notify FSA if a shareholder or member passes away. Since FSA benefits are reported to IRS, maintaining current, accurate records about participants is vital to ensure that those payments are reported correctly.

Dates to Remember	
July 15, 2009	Crop Acreage Reporting Date
August 1, 2009	2010 NAP Small Grain Seed Crops
August 3, 2009	COC Nomination Forms Due
August 14, 2009	DCP/ACRE Sign-up Deadline
Sept 1, 2009	NAP application closing date: Flowers, Aquaculture, Value Loss
Sept 1, 2009	NAP application closing date: Forage Crops (HAY)
Sept 30, 2009	Acreage Reporting Date - FLOWERS
Selected Interest Rates for June 2009	
90-Day Treasury Bill	0.125%
Farm Operating Loans — Direct	2.25%
Farm Ownership Loans — Direct	4.25%
Farm Ownership Loans — Direct Down Payment	1.50%
Emergency Loans	3.75%
Contact your County FSA Office after the first of the month for current interest rates on Farm Storage Facility Loans, Sugar Storage Facility Loans and Commodity Loans.	



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